

JAN 27 2010

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# A BILL FOR AN ACT

RELATING TO HAWAII COMMUNITY DEVELOPMENT AUTHORITY.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that the John A. Burns  
2 School of Medicine, located within the Kakaako community  
3 development district, is a lessee of the Hawaii community  
4 development authority. One of the provisions of the lease  
5 requires the lessee to pay, in addition to a ground lease  
6 rental, a pro rata share of the common area maintenance, a part  
7 of which includes the maintenance and upkeep of the Kakaako  
8 waterfront park. Essentially, one public agency is charging  
9 another public agency to assist in the maintenance of a public  
10 facility. Rather than this circuitous funding route, the  
11 legislature finds that it makes more sense for the legislature  
12 to provide for the cost of maintaining the Kakaako waterfront  
13 park directly through state revenues.

14           Accordingly, the purpose of this Act is to prohibit the  
15 Hawaii community development authority from imposing any pro  
16 rata assessment on another public agency for the maintenance of



1 common areas that may be subject to a direct legislative  
2 appropriation.

3 SECTION 2. Section 206E-31.5, Hawaii Revised Statutes, is  
4 amended to read as follows:

5 "[+] §206E-31.5 [+] **Prohibitions.** Anything contained in  
6 this chapter to the contrary notwithstanding, the authority is  
7 prohibited from:

8 (1) Selling or otherwise assigning the fee simple interest  
9 in any lands in the Kakaako community development  
10 district to which the authority in its corporate  
11 capacity holds title, except with respect to:

12 (A) Utility easements;

13 (B) Remnants as defined in section 171-52;

14 (C) Grants to any state or county department or  
15 agency; or

16 (D) Private entities for purposes of any easement,  
17 roadway, or infrastructure improvements; [~~or~~]

18 (2) Approving any plan or proposal for any residential  
19 development in that portion of the Kakaako community  
20 development district makai of Ala Moana boulevard and  
21 between Kewalo basin and the foreign trade zone [~~-~~]; or



1           (3) Requiring any lessee or tenant in the Kakaako  
 2           community development district that is a public agency  
 3           and a recipient of legislative appropriations to pay  
 4           for any pro rata or fair share assessment or other  
 5           charge for the maintenance of common areas within the  
 6           Kakaako community development district that may  
 7           otherwise be the subject of a direct legislative  
 8           appropriation."

9           SECTION 3. This Act does not affect rights and duties that  
 10          matured, penalties that were incurred, and proceedings that were  
 11          begun before its effective date.

12          SECTION 4. Statutory material to be repealed is bracketed  
 13          and stricken. New statutory material is underscored.

14          SECTION 5. This Act shall take effect upon its approval.

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INTRODUCED BY:

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**Report Title:**

Hawaii Community Development Authority; Kakaako Community Development District; Common Area Maintenance

**Description:**

Prohibits HCDA from charging other public agencies, as tenants or lessees, for common area maintenance charges for costs that may be the subject of direct legislative appropriations.

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